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6 Attorneys for Creditor/Moving Party  
Sterling Savings Bank, Successor In Interest By Merger To Sonoma National Bank

8 UNITED STATES BANKRUPTCY COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

10 In Re:  
11 TV-32 DIGITAL VENTURES, INC., a  
12 California corporation,  
13 Debtor.

Case No. 09-58098 ASW 11  
Chapter 11

**Date: August 26, 2010**  
**Time: 10:30 a.m.**  
**Location: 280 S. 1<sup>st</sup> Street, San Jose, CA**  
**Courtroom: 3020**

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15 **STERLING SAVINGS BANK'S INITIAL OBJECTIONS TO DEBTOR'S DISCLOSURE**  
16 **STATEMENT AND PLAN**

17 COMES NOW, STERLING SAVINGS BANK, Successor In Interest By Merger To  
18 Sonoma National Bank (the "Sterling"), and provides preliminary objections to the Disclosure  
19 Statement and Plan proposed by the Debtor, in accordance with this Court's Order of July 19,  
20 2010<sup>1</sup>, as follows:

21 The Plan is based entirely on sheer speculation and conjecture, with absolutely no concrete  
22 evidence to support its feasibility. The Debtor represents that it intends to implement this Plan by  
23 leasing up the Property, and obtaining "guaranteed revenues" and grants from various public  
24 entities. However, the prospective tenant on which the Debtor relies for leasing up the Property,

25  
26 <sup>1</sup> The Debtor's Notice of Hearing on Disclosure Statement references a hearing date of  
27 September 24, 2010, and fixes the last day to oppose same as September 17, 2010. The  
28 instant pleading is filed in an attempt to comply with the Court's July 19, 2010,  
instructions. However, Sterling reserves the right to file further objections in accordance  
with the time lines set forth in the aforementioned Notice of Hearing if deemed  
necessary or appropriate.

1 KMTP TV, admittedly lacks the capacity to lease additional space (Disclosure Statement p. 8:24),  
2 and the assertion that it will be able to do so in the future is purely speculative. The reliance upon  
3 expected grants from the Corporation for Public Broadcasting (that are currently unavailable), is  
4 similarly based upon pure conjecture. Likewise, no evidence exists that funding from local  
5 governmental entities, struggling to make their own budgets balance, is somehow going to shake  
6 loose for this Debtor. All of this is wholly speculative and has no basis in reality. Indeed, that the  
7 Debtor's only facts to support his projections come from a projection of sales from a retail store,  
8 Best Buy, is indicative of this.

9 Moreover, the Debtor wrongfully relies upon \$645,000 belonging to Arlene Stevens, to  
10 support its Plan. (Disclosure Statement, p. 13:13, 24-27.) The Debtor has cited to no authority, and  
11 Sterling is aware of none, which allows the Debtor to include assets of a non-debtor – indeed, assets  
12 which the non-debtor has no obligation to contribute– to create adequate protection for creditors.

13 Finally, a thirty-six month time frame for execution of the proposed Plan is unjustifiable.  
14 No basis in law exists to require Sterling Savings to wait for three years to see if the Debtor can turn  
15 any of the above conjecture and speculation into reality.

16 The Debtor's Second Amended Plan cannot, and should not, be even considered as a  
17 feasible option to this Debtor's financial woes.

18 Dated: August 16, 2010

Respectfully submitted,

19 ABBEY, WEITZENBERG,  
20 WARREN & EMERY

21 BY: /s/ Rachel K. Stevenson  
22 Rachel K. Stevenson  
23 Attorneys for Objecting Party  
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26  
27  
28

1 **PROOF OF SERVICE**

2 I declare that:

3 I am employed in the County of Sonoma, California. I am over the age of eighteen years  
4 and not a party to the within cause; my business address is 100 Stony Point Road, Ste. 200,  
P. O. Box 1566, Santa Rosa, California 95402-1566.

5 On the date set out below, I served the attached:

6 **STERLING SAVINGS BANK'S OBJECTION TO DEBTOR'S DISCLOSURE  
STATEMENT**

7 on the interested parties in said cause, by placing a true copy thereof enclosed in a sealed envelope  
8 addressed as follows:

9 TV-32 Digital Ventures, Inc.  
10 1010 Corporation Way  
Palo Alto, CA 94303-4304

Debtor

11 Booker T. Wade  
12 1010 Corporation Way  
Palo Alto, CA 94303-4304

Responsible Individual

13 Jeremy W. Katz  
14 Matthew J. Shier  
15 Pinnacle Law Group  
425 California Street, #1800  
San Francisco, CA 94104

Debtor's Counsel

16 Office of the U.S. Trustee/SJ  
17 U.S. Federal Building  
280 S. 1<sup>st</sup> Street, #268  
San Jose, CA 95113-3004

U.S. Trustee

18 Campeau Goodsell Smith, LC.  
19 William J. Healy  
20 440 N. 1<sup>st</sup> Street, Ste. 100  
San Jose, CA 95112

Counsel for Arlene Stevens

21 CB Richard Ellis Brokerage Services  
22 Attn: Gregory S. DeLong  
Two Palo Alto Square, Ste. 100  
3000 El Camino Real  
23 Palo Alto, CA 94306

Creditor

24 David Hammerslough  
1960 The Alameda, Ste. 200  
25 San Jose, CA 95126-1451

Creditor

26 Fidelity National Title Co., Trustee  
27 TS No. 09-00354-4C  
Attn: Tamala Dailey  
135 Main St., Ste. 1900  
28 San Francisco, CA 94105

Creditor

1 International Revenue Service Creditor  
2 P.O. Box 21126  
3 Philadelphia, PA 19114

4 Security Signal Devices, Inc. Creditor  
5 1740 N. Lemon St.  
6 Anaheim, CA 92801-1007

7 Small Business Administration Creditor  
8 c/o Capital Access Group  
9 150 California Street, Ste. 250  
10 San Francisco, CA 94111

11 City of Palo Alto Creditor  
12 Utilities Dept.  
13 250 Hamilton Ave.  
14 Palo Alto, CA 94301

15 Peninsula Air Conditioning Company Creditor  
16 1690 Tacoma Way  
17 Redwood City, CA 94063

18 /xx/ (BY MAIL) I placed each such sealed envelope, with postage thereon fully prepaid for first-  
19 class mail, for collection and mailing at Santa Rosa, California, following ordinary business  
20 practices. I am readily familiar with the practice of Abbey, Weitzenberg, Warren & Emery for  
21 processing of correspondence, said practice being that in the ordinary course of business,  
22 correspondence is deposited in the United States Postal Service the same day as it is placed for  
23 processing.

24 I declare under penalty of perjury that the foregoing is true and correct, and that this  
25 declaration was executed on August 16, 2010, at Santa Rosa, California.

26  
27 /s/ Julie Heydel  
28 Julie Heydel